



OFFICE OF THE  
**ARIZONA STATE TREASURER**

**DOUG DUCEY**  
TREASURER



**FOR IMMEDIATE RELEASE**

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**Statement from Arizona State Treasurer Doug Ducey**

*Increasing Taxes on Municipal Bond Investments*

**PHOENIX** – “The Arizona State Treasurer’s Office manages \$3.3 billion of local government tax dollars for more than 150 Arizona cities, towns, counties and special taxing districts. Higher taxes for municipal bonds during this artificially created low interest rate environment will increase the cost of financing for municipalities. Those costs will ultimately be passed along to city, county and state taxpayers.

“The goal for our economy should be long-term, sustainable job creation, not increases in short-term revenues. We need real reforms and real reductions in spending, not tax increases that will only continue to fund our already bloated and out-of-control federal government.

“President Obama rolled the dice in 2009 with a \$862 billion stimulus package that failed to prevent unemployment from rising over 8.0 percent. Today, Arizona is faced with 9.3 percent unemployment and a national rate of 9.1 percent. In the business world we call that a negative return on investment. The President now sees it as an opportunity to double-down with another \$447 billion stimulus gimmick.

“Raising taxes on municipal bond investment will not help create jobs. The President’s proposal will bring more volatility into the markets and take more money out of the private sector; neither of which will have a positive return for Arizona or our national economy.”

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